

MASS. CD 14.2: C73

COMMUNITY ECONOMIC DEVELOPMENT ASSISTANCE CORPORATION

MASSACHUSETTS ASSOCIATION OF
COMMUNITY DEVELOPMENT CORPORATIONS

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The Community Economic Development Capacity Building Initiative

(A program of CEDAC and MACDC)

October 10, 1996

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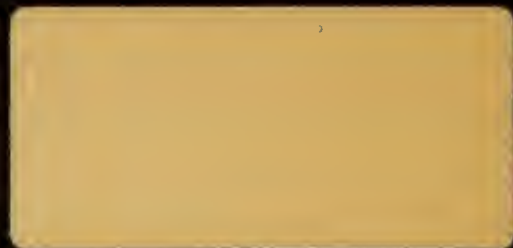
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CEDAC, 19 Temple Pl., Boston, MA 02111, 617-727-0506; 617-727-0705 (fax)

MACDC, 99 Chauncy St., Boston, MA 02111, 617-426-0303; 617-426-0344 (fax)



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**MASSACHUSETTS ASSOCIATION OF
COMMUNITY DEVELOPMENT CORPORATIONS**

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Capacity Building Initiative**

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CDCs: An Engine for Economic Development

Community Development Corporations (CDCs) are non-profit, community-controlled organizations that seek to revitalize poor and working class communities. There are 62 CDCs in Massachusetts. While CDCs are best known for their work in the field of affordable housing, CDCs have for years been key players in the economic development arena, creating jobs and strengthening businesses throughout the state. CDCs have:

- Developed over 520,000 square feet of commercial and industrial space;
- Provided business management assistance to small businesses across the Commonwealth and arranged loans in excess of \$15 million to more than 1,000 businesses, leveraging \$55 million in additional capital;
- Linked poor and working class communities and individuals with public and private institutions and employers, breaking down the barriers to employment that often trap people in poverty.

Community Economic Development Capacity Building Initiative: Expanding and Improving the Work of CDCs

In the early 1990s, CDCs began to increase their efforts in the economic development field in response to the downturn in the state's economy. CDCs with a track record in the field looked for new and innovative ways to increase their impact. CDCs that were new to the field looked for the most appropriate way to serve their communities. In response to these challenges, MACDC designed the Capacity Building Initiative and asked CEDAC to administer the program. Phase one of the program enrolled 14 CDCs to undertake an intensive community planning process and to identify activities that could have the greatest impact on their communities. The program combined on-site technical assistance with classroom training. Each CDC has now completed a thoughtful, innovative and realistic strategic plan for its role in the economic revitalization of its communities.

As a result of these plans, CDCs will take on projects like these:

- The **Twin Cities CDC in Fitchburg/Leominster** will work with the plastics industry to link low income residents of the area to good paying jobs within the industry. As part of the program, the CDC will help residents to obtain the appropriate job training and job readiness assistance they need to be effective workers.
- The **Salem Harbor CDC** will partner with Salem State University to build a small business incubator at the GTE site. The project will not only put an abandoned industrial site back to productive use, but it will also help to grow new businesses that will create jobs for the future.

- The **Millers River CDC in Athol** will develop a comprehensive strategy to enable its community to be in the forefront of the emerging telecommunications industry. This will include establishing a telecommunications center that provides residents and businesses with access to state-of-the-art technology and information, and expanding their computer sales and servicing business.
- The **Jamaica Plain NDC** will create a formal linkage system between local employers and unemployed residents. The NDC will also train Latino women to establish their own home-based day care businesses.
- The **Madison Park Development Corporation in Roxbury** will expand its job training programs to provide area residents with training in computers and the retail industry. As part of the effort, Madison Park will work with area retail companies to ensure that graduates of the program have the right skills and to ensure that they have access to jobs.
- **South Boston Community Housing, Inc.**, will work with Boston Edison and the City of Boston to bring an electric vehicle manufacturing facility to South Boston, providing good paying jobs to area residents. SBCH will work with the companies and area providers of job training to make sure that area residents have the necessary skills to obtain jobs at the facility.
- The **Valley CDC in Northampton** will expand its existing business develop program to provide entrepreneurial training, business management assistance, and increased access to capital for small businesses and self-employed individuals.

Next Steps

MACDC and CEDAC will launch Phase Two of the program this winter. Phase Two is designed to provide CDCs with assistance in implementing the plans developed during Phase One. The program will provide additional training for CDC staff in three areas of concentration: real estate development, business development, and workforce development. Limited funding will be available for feasibility analysis and program design, while more extensive seed funding will be available for certain projects. The program will help to connect CDCs with other institutions in the field and work to expand resources that are available to undertake these projects.

Funders

The Community Economic Development Capacity Building Initiative is a partnership among the private sector, state and local government, and foundations. Funders for this program include:

Boston Foundation
Fleet Bank
Dept. of Housing and Community Development
Massachusetts Development Finance Agency
Local Initiatives Support Corporation

Bank of Boston
City of Boston Public Facilities Department
Hyams Foundation
Surdna Foundation
An anonymous source

CEDAC CED CBI

PHASE ONE

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AREAS OF STRATEGIC CONCENTRATION

PRIORITY PROJECTS	Real Estate Development	Business Development/ Lending/ Technical Assistance	Workforce Development
BROCKTON COMMUNITY CORPORATION	BCC will work towards the development of a retail market center in the Walnut Turner neighborhood. The old Zayre's building is the prime location. The anchor tenant would be an independently-owned supermarket of 40,000 square feet. BCC has identified an experienced supermarket operator as a prospective tenant		
OAK HILL COMMUNITY DEVELOPMENT CORPORATION	A key six acre parcel on lower Grafton Street will be included as a project for the CMEDA program. This program buys 21 E site properties, cleans them up, and sells the parcels for redevelopment	Oak Hill CDC is working actively to have the Grafton Street area designated as an Economic Opportunity Area, working with the Worcester Redevelopment program to include the commercial district from Grafton, Franklin, Wall and Suffolk streets into an urban revitalization plan. The local businesses and residents will be involved in developing the plan.	Oak Hill CDC will seek to reduce barriers to employment by using the following strategies: 1) sponsor and host several different workshop series, including, resume writing, interviewing skills, job expectations, computer skills and starting a child care business, 2) host and pilot a certified nurse assistant training program, 3) target ten local employers for local hiring agreements and 4) provide a community based system for those looking for employment. Oak Hill has already negotiated a job linkage and referral program with St. Vincent's Hospital, the largest employer in the area.

AREAS OF STRATEGIC CONCENTRATION

PRIORITY PROJECTS	Real Estate Development	Business Development/ Lending/ Technical Assistance	Workforce Development
COALITION FOR A BETTER ACRE		CBA will seek to develop more effective lending and technical assistance programs. It will create a network of small cooperative businesses in the service sector and will seek to develop a youth entrepreneurship program.	CBA will increase employment opportunities for women and youth by supporting youth apprenticeship in traditional industries, opportunities for women in construction trades, and job training for lower skilled women. CBA will work toward developing public policies supportive of sustainable wages for all workers, and a Community Currency Campaign.
NEIGHBORHOOD DEVELOPMENT CORPORATION OF JAMAICA PLAIN		NDC will establish 1-2 cooperatively-owned businesses in the neighborhood. It will conduct day care training in Spanish, enabling Latino women to establish their own home-based day care businesses, which could be linked to existing day care networks. NDC will stabilize and improve the business district in Hyde/Jackson Square through organizing efforts, and will support small businesses in Jamaica Plain and Hyde/Jackson Square by providing technical assistance	NDC will endeavor to create a formal linkage system between local employers and unemployed so that 30-40 residents may successfully find and keep a job.

AREAS OF STRATEGIC CONCENTRATION

PRIORITY PROJECTS	Real Estate Development	Business Development/ Lending/ Technical Assistance	Workforce Development
MILLERS RIVER COMMUNITY DEVELOPMENT CORPORATION	<p>Establish a telecommunications (T/C) work center where infopreneurs can rent Internet access, e-mail, fax, personal computer access, desktop publishing, etc. The CDC will operate the T/C center as part of the CDC's Athol Enterprise Center and develop links and networks to benefit participants.</p>	<p>Expand MRCDC's personal computer sales and training business by relocating and establishing accounting, management and measurement systems. Work on putting the community in the lead in telecommunications (T/C) by developing a web site. Expand its personal computer business from retail to wholesale, and franchise the retail effort for replication by other community based groups. MRCDC will develop its capacity to assist T/C players in the community. MRCDC will start a data processing business that will be sold as a functioning "turn key" entity to a low income community member or group of the businesses' employees.</p>	

AREAS OF STRATEGIC CONCENTRATION

PRIORITY PROJECTS	Real Estate Development	Business Development/ Lending/ Technical Assistance	Workforce Development
VALLEY COMMUNITY DEVELOPMENT CORPORATION		Valley CDC will increase its current capacity to provide technical assistance and access to loan capital for business owners or people who want to start businesses. Valley CDC will promote the Valley Dollars which encourage the economic multiplier effect within the local community. Valley CDC will create a business to train Approved Assistants for Family Day Care Providers.	
SALEM HARBOR COMMUNITY DEVELOPMENT PROGRAM	In cooperation with Salem State College the CDC would become the developer and manager of the Entrepreneurial Center - an incubator for small businesses which would also become home for its job skills education and training programs and its small business education and loan fund.	The small business education and loan fund program would provide a structured educational format for potential and existing small business owners, and would make loans or equity investments in the \$3,000 to \$20,000 range.	The CDC would build upon its current English as a Second Language and Native Language literacy program and would begin offering training in the areas of computer literacy, home health aide, day care provider, and construction work to non-native English speakers.

AREAS OF STRATEGIC CONCENTRATION

PRIORITY PROJECTS	Real Estate Development	Business Development/ Lending/ Technical Assistance	Workforce Development
SOUTH BOSTON COMMUNITY HOUSING, INC.	SBCH will work towards the development of real estate opportunities in the West Broadway Business District	SBCH will create 150 manufacturing jobs by the building of appropriate financial and physical infrastructure to attract a cluster of electric vehicle and component assembly plants to South Boston and surrounding communities. It will also operate a small business loan and technical assistance program to provide greater access to loan capital and business assistance for our retail district.	SBCH will coordinate job training with existing local trainers and make employment referrals to electric vehicle industry.
MADISON PARK DEVELOPMENT CORPORATION	MPDC will work to alleviate blight within the Dudley Square area as a means of making this business district more inviting. MPDC has targeted two specific commercial buildings in the area for evaluation as initial development sites.		MPDC will expand its existing training activities to include a retail and service industry training initiative that prepares persons to secure entry-level and managerial jobs within the retail and service industry, and a building maintenance training program that prepares residents for custodial and repair jobs.

AREAS OF STRATEGIC CONCENTRATION

PRIORITY PROJECTS	Real Estate Development	Business Development/ Lending/ Technical Assistance	Workforce Development
SOMERVILLE COMMUNITY CORPORATION	<p>SCC would like to ensure that businesses that locate in Somerville will create jobs for low-income residents. SCC will seek out large and profitable businesses or wealthy individuals with whom to form limited partnerships, in which SCC would be the limited partner, developer and property manager. SCC will look to develop office space in Union Square to bring in jobs and spur retail development.</p>	<p>SCC will design and implement a program that provides high-quality consulting services to businesses that have the potential to create living-wage jobs and entrepreneurship opportunities.</p>	<p>SCC will contract with the Somerville Office of Housing and Community Development. The businesses that are assisted by OHCD will inform SCC of all their hiring needs. SCC will then make referrals through service agencies, training programs and community organizations. SCC has also identified several growth sectors in Somerville's economy, including biotechnology and environmental technology, for whose positions local residents are not qualified. SCC will seek to develop partnerships with local government, educational and training institutions, and local firms, to identify training needs, develop new educational and training programs, and recruit and refer local residents to job opportunities.</p>

AREAS OF STRATEGIC CONCENTRATION

PRIORITY PROJECTS	Real Estate Development	Business Development/ Lending/ Technical Assistance	Workforce Development
TWIN CITIES COMMUNITY DEVELOPMENT CORPORATION		The CDC will provide additional technical assistance and loan packaging to loan clients by increasing the Business Consultant's hours from 20 to 40. It will develop and run an Entrepreneurial Training Course. It will market the Community Development Finance Corporation, (CDFC) Loan Fund to larger businesses which employ low/moderate income persons.	The CDC will link residents to jobs in the growing plastics industry companies. It will create an employment and training resources directory to be distributed to agencies, residents and neighborhood organizations. It will also conduct an analysis of the growing plastics industry to determine the needs and opportunity for employment recruitment and referral, job training programs, and entrepreneurial support.
NUEVA ESPERANZA, INC	Nueva will address physical development needs of the Main Street Commercial Sector.	Nueva Esperanza will expand its Entrepreneurial Training Course. Nueva will seek to create family operated aquaculture businesses that can be organized as a cooperative where members can share the costs of utilities, supplies and distribution. Nueva proposes to start a community based and operated credit union to fill the gap of everyday banking services for residents and Main Street business owners. Nueva is forming a child care provider working capital lending group.	Nueva plans to set up a computer training center where students can receive low cost training provided by a bilingual instructor.

AREAS OF STRATEGIC CONCENTRATION

PRIORITY PROJECTS	Real Estate Development	Business Development/ Lending/ Technical Assistance	Workforce Development
<p>URBAN EDGE HOUSING CORPORATION</p>	<p>Urban Edge's economic development strategy will revolve around the stabilization and revitalization of the Egleston-Jackson corridor. Although a significant component of the strategy has to do with physical and infrastructural development, it should not be limited to physical refurbishment and "hard" infrastructure. The physical and infrastructural development should act as the backbone of a broad economic development agenda that includes modernization of existing small and mid-size businesses, adequate access to capital and technical assistance, investment attraction and a full range of support services to help people obtain and maintain their jobs. Urban Edge's initial research has yielded six "opportunity areas" particularly attractive for redevelopment. Two of these sites merit special mention. The Northeast Corner (1540-1542 Columbus Avenue) and the MBTA (1546 Columbus Avenue) sites are well suited for large scale retail/commercial development.</p>		

AREAS OF STRATEGIC CONCENTRATION

PRIORITY PROJECTS	Real Estate Development	Business Development/ Lending/ Technical Assistance	Workforce Development
IBA	<p>IBA will seek to capitalize on the completion of the Hernandez Cultural Center, which will house new day care facilities, commercial food preparation facility, and adjacent cultural production space, to develop new employment opportunities for Villa Victoria residents. IBA will also seek linkages with area redevelopment initiatives, including the Bio Square development near B.U. Medical Center and the Washington Street Corridor/Enhanced Empowerment Zone.</p>		<p>IBA will seek to use the supportive services capacity of its Human Service Department, in concert with the skill training and educational capabilities of existing social services agencies to provide employment and training referrals and job linkage arrangements with major employers for Villa Victoria residents.</p>

